

Amend 2 Cal. Code Regs. section 18946.4 as follows:

§18946.4. Reporting and Valuation of Gifts: Tickets to Nonprofit and Political Fundraisers.

A gift of a ticket or other admission privilege to a specific fundraising event shall be valued as set forth below.

(a) Nonprofit Fundraiser. Except as provided in subdivision (b), a ticket or other admission privilege to a fundraising event for a nonprofit, tax-exempt organization that is not a committee as defined in Government Code ~~Section~~ section 82013(a) shall be valued as follows:

(1) Where the event is a fundraising event for a nonprofit organization, and the ticket clearly states that a portion of the ticket price is a donation to the organization, then the value of the gift is the face value of the ticket ~~or admission~~ reduced by the amount of the donation.

(2) If there is no ticket indicating a face value or the ticket or other admission privilege has no stated price or no stated donation portion, the value of the gift is the ~~fair market value~~ pro rata share of the cost of any food, and beverages, ~~or other tangible benefits provided to each attendee plus any other specific items presented to the attendee for attending the event.~~

{DECISION POINT 8, OPTION 1:} ~~[(b) Where the event is a fundraising event for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, the ticket or other admission privilege has no value.]~~

{DECISION POINT 8, OPTION 2:} (b) Where the event is a fundraising event for an organization exempt from taxation under ~~Section~~ section 501(c)(3) of the Internal Revenue Code, the ticket or other admission privilege has no value [provided no more than two tickets or admission privileges are provided to each recipient.

(1) If more than two tickets or admission privileges are provided to a recipient, the

1 additional tickets or admission privileges shall be valued as set forth in regulation 18946.1.]

2 **{DECISION POINT 8, OPTION 3:}**

3 (b) Except as provided herein, ~~W~~where the event is a noncommercially marketed
4 fundraising event for an organization exempt from taxation under ~~Section~~ section 501(c)(3) of
5 the Internal Revenue Code, the ticket or other admission privilege has no value. If the event is a
6 commercially marketed event, the value of the ticket or other admission privilege shall be the
7 face value of the ticket. If the ticket has no stated face value, the value of the ticket or other
8 admission privilege shall be the cost to the donor. For purposes of this section, “commercially
9 marketed event” means an event that is broadcast {Alternative 1:}[to a national television
10 audience] {Alternative 2:} [in a major television market] {Alternative 3:}[on television]
11 {Alternative 4:} [on television or radio].

12 (c) Political Fundraiser. Where the event is a fundraising event for a campaign
13 committee or candidate, the ticket or other admission privilege has no value.

14 NOTE: Authority cited: Section 83112, Government Code.
15 Reference: Section 82028, ~~87028~~ 87207 and 87302, Government Code.

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